

St. Petersburg State University

Master in Management Program

**THE RELATIONSHIP BETWEEN PRODUCER'S INFORMATION ON
CSR PROVISION AND CONSUMER'S WILLINGNESS TO BUY**

Master's Thesis by the 2nd year student

Concentration - General Track

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ЗАЯВЛЕНИЕ О САМОСТОЯТЕЛЬНОМ ХАРАКТЕРЕ ВЫПОЛНЕНИЯ ВЫПУСКНОЙ КВАЛИФИКАЦИОННОЙ РАБОТЫ

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АННОТАЦИЯ

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Название ВКР	Взаимосвязь предоставления производителем информации о корпоративной социальной ответственности и готовностью потребителей покупать
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Научный руководитель	Зятчин Андрей Васильевич
Описание цели, задач и основных результатов	<p>Целью исследования является доказательство способности информации о КСО положительно влиять на готовность потребителей покупать. Для достижения цели поставлены следующие задачи: исследование существующей литературы для определения неисследованной области, определение продуктовых категорий и уровней КСО, обоснование подхода к исследованию, формирование опроса, сбор и анализ данных, интерпретация полученных результатов. Результаты исследования доказывают положительную зависимость предоставления информации о КСО производителями и готовностью потребителей покупать для товаров категорий «товары повседневного спроса» и «товары особого спроса», для категории «товары предварительного выбора» обнаружена обратная зависимость. Также в рамках исследования не было обнаружено различий в потребительских реакциях на предоставление информации о КСО между российскими и европейскими потребителями</p>
Ключевые слова	КСО, Потребительское поведение, Маркетинг

ABSTRACT

Master Student's Name	Pavel Komissarov
Master Thesis Title	The Relationship Between Producer's Information on CSR Provision and Consumer's Willingness to Buy
Main Field of Study	Management
Year	2018
Academic Advisor's Name	Andrey Zyatchin
Description of the goal, objectives and main results	<p>The research goal is to prove the ability of CSR information provision to positively influence consumer willingness to buy. In order to fulfill the stated goal accomplishment of several objectives needed, which are: research the literature for understudied field identification; determine goods categories and CSR levels; justify the approach for the research; compose a survey adequate to the chosen tool; collect the data and conduct the analysis; formulate theoretical and practical implications. The results of the study prove the ability of CSR information provision to positively influence consumers' willingness to buy for goods categories "convenience goods" and "specialty goods", for "shopping goods" category opposite relationship was identified. Moreover, the research did not show any differences in consumer response to CSR information provision between Russian and European consumers.</p>
Keywords	CSR, Consumer Behavior, Marketing

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Introduction

Nowadays within both academic and business communities there is a widely spread discussion on the importance of corporate social responsibility policies deployment by enterprises of different levels. In the times of global warming, social tension and overall globalization the interest in the topic is growing intensively.

Current economic conditions make companies struggle to survive which brings unconventional marketing techniques to the first place. Since the majority of markets is now overcrowded, it is essential to constantly develop unconventional ways of standing the competition. It has already been concluded that CSR is an important element of a modern enterprise but it still exists in a form of supplementary attachments to well-established business models. CSR seems to be a tribute to fashion today but does not constitute a basis for competitive business strategy, at least it cannot be called a trend yet.

Nevertheless, we are now observing CSR boom in the world market. Oil and gas companies diversify by investing in renewable energy generating businesses, automobile manufacturers claim to give up internal-combustion engines within 15 years. Blockchain technology intends to disrupt the old vision value chain and already faces dissatisfaction from the particular economic agents since their irresponsible behavior would be devastated with the introduction of such transparent technologies. Moreover, there are start-ups like Tesla who claim environmentally friendly business models as world's future and their long run competitive advantage.

This particular research is dedicated to CSR's potential in fostering consumer's willingness to buy investigation. The paper is intended to contribute to both theoretical and practical fields. Practitioners would find this work useful since it is going to provide a practice oriented answer of undiscovered means of modern competition. Academics could be interested in the paper due to its in-time or even looking ahead findings in this edgy CSR field.

Thus, the goal of the research could be defined as *To prove CSR ability to positively impact consumer's willingness to buy*. The goal is narrowed down by research questions that are to direct the research and provide reasonable insights in the field of CSR information provision and consumers willingness to buy relationship. The questions are: "How CSR information provision influence on consumer behavior differs among different nations?", "How CSR information provision influence on consumer behavior differs among different product categories?", "Which type of CSR activity, regarding different product categories, is preferred by consumers?".

In order to fulfill the stated goal and answer research questions we are to accomplish several objectives which are:

- Research the literature for understudied area identification;
- Determine goods categories and CSR levels;
- Justify approach for the research;

- Compose a survey adequate to the chosen tool;
- Collect the data and conduct analysis;
- Formulate theoretical and managerial implications.

In the following sections of the paper these objectives are sequentially accomplished. Starting with literature review that is called to define the concept of CSR and its place in business environment nowadays. Moreover, the literature review connects CSR and consumer behavior concepts. The section 1 provides insights about CSR and consumer behavior relationship and helps to determine the research goal.

The paper then goes to methodology formulation, where choice-based conjoint analysis for consumers preferences in purchasing decisions evaluation use is justified. Methodology section also provides the description of questionnaire composition process and intended statistical tools to be used.

In the end there is empirical results presentation. Starting with general regression outputs explanation, the section 3 proceeds with comparisons. The empirical results part is to sum up theoretical and practical contributions made by the paper under consideration.

1 Literature Review

First of all, we have to define key terms we intend to investigate in the proposed research. Corporate Social Responsibility is often referred to as CSR. Besides new term CSR we also have to understand what area in business science do we address. These questions are to be answered in the following paragraphs.

1.1 Definition of CSR

Corporate Social Responsibility issues were firstly discussed at the beginning of the twentieth century but the concept of CSR in a systematically scientific way appears in the managerial literature only in 1950s in (Bowen 1953). In the works of CSR pioneers Corporate Social Responsibility is identified as a company's mission in serving the society meaning that businesses are to act following societal demands.

Despite the logic behind first ideas regarding Corporate Social Responsibility importance for both businesses and society, influential economists and marketers of the second half of the twentieth century were critical towards newly invented concept of CSR. For example, noble prize winner Milton Friedman claimed that some trends can significantly undermine the very foundations of a free society, including corporate executives taking on responsibilities other than making money as big as possible for their shareholders (Friedman 2009). Another work (Levitt 1958) stated corporate efforts to invest in social projects and practices as tributes to contemporary fashion and proposed bailing on practices that were not monetary beneficial and concentrate on core businesses of corporations. That was, in his view, the essence of capitalism a true business should have followed.

When corporate responsibility was identified the main research in the field was dedicated to parties before which the business is responsible. (Carroll 1979) stated that businesses are to be inline with economic, judicial, ethical and discretionary expectations of the society. Besides decomposition of CSR term into dimensions the author also introduces his view on importance of these CSR dimensions. Still lead by a common for the contemporary managerial literature *Economic* dimension was named as the most valuable one since it serves the very nature of an enterprise. *Legal* one was given the second place since it frames the whole company's operations. *Ethical* dimension was named as one of the most difficult for a business to deal with because ethical norms are understood but not codified explicitly and are not directly influential for a business. The least important dimension is *Discretionary* one since on the one hand firms are not obliged to follow these activities but on the other hand are expected to from the society.

In the further work (Carroll 1991) formalized his approach in the shape of a pyramid with economic basis, subsequent judicial buildup, ethical buildup next and philanthropy at the top of the framework. Thus, with visual representation of the CSR activities prioritization (Carroll 1991) delivers the conclusion of necessity to satisfy stakeholders' needs in order of their importance to

the business itself and frequency of interactions with these stakeholders.

The next step in the development of CSR concept was need in reactive actions towards stakeholders and business's environment identification, that was developed by (Ackerman 1973), meaning that managerial research in the field of CSR concluded that companies are to understand the fields where they are to be responsible and react to dynamic environment changes in time to achieve sustainable development goals. CSR was even proposed to be included in strategic management of the organization incorporating environment monitoring, stakeholders' expectations analysis, development and implementation of action plans to deal with identified issues. This part of CSR concept development revealed a new problem in the field of study - lack of action plans propositions for businesses to fulfill CSR requirements.

Despite its long development, much CSR research remains controversial and underdeveloped. For example, scholars hold different views on some CSR-related concepts such as corporate social performance (CSP), which can be defined as "a business organization's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationships".

The following stream of CSR literature was dedicated to the construction of a comprehensive model of CSR actions and valuation of companies' CSR reputation. The work (Wood 1991) is considered to be the most successful in this field. By critical analysis of predecessors' attempts to formalize CSR activity the author managed to create the concept of a proper CSR activities deployment. Main findings and propositions are comprised in the figure 1.

(Wood 1991) completely gets rid of a former approach to a firm's mission narrowed down to only profits generation in favor of a more complex one implying a more responsible role of a firm in the society. The work explicitly states the necessity to be inline with four main pillars: economic, legal, ethical and discretion. Moreover, a role of company in the environment is considered from three-dimensional prospective: institutional, organizational and individual. It is suggested to incorporate externalities and pay attention to all the interested parties around a firm while corporate policy construction.

Further research of Corporate Social Responsibility can be divided into several so-called collateral streams. One of those is a stakeholder management since the whole concept of CSR implies identification of parties that either have an interest in a company's operations or somehow are affected by the business or have a direct influence on the firm. One of the most influential researches in this field of study was a pioneer of stakeholder management (Freeman 1984). In this work stakeholder management is seen through the lens of strategic management. Besides main stakeholders of a typical firm identification, the author is perceived to be a "stakeholder" term inventor. The inception of a stakeholder concept and its management approaches has its roots in (Freeman 1984). Freeman's influential stakeholder theory came into prominence in the mid-1990s.

Stakeholder theory reached fundamental formalization majorly at the end of the twentieth century in (Donaldson and Preston 1995). Firstly a comprehensive theory was formulated in the

CSR PRINCIPLES			
Domains	Social Legitimacy (Institutional)	Public Responsibility (Organizational)	Managerial Discretion (Individual)
Economic	Produce goods & services, provide jobs, create wealth for shareholders.	Price goods & services to reflect true production costs by incorporating all externalities.	Produce ecologically sound products, use low-polluting technologies, cut costs with recycling.
Legal	Obey laws and regulations. Don't lobby for or expect privileged positions in public policy.	Work for public policies representing enlightened self-interest.	Take advantage of regulatory requirements to innovate in products or technologies.
Ethical	Follow fundamental ethical principles (e.g., honesty in product labeling).	Provide full and accurate product use information, to enhance user safety beyond legal requirements.	Target product use information to specific markets (e.g., children, foreign speakers) and promote as a product advantage.
Discretionary	Act as a good citizen in all matters beyond law and ethical rules. Return a portion of revenues to the community.	Invest the firm's charitable resources in social problems related to the firm's primary and secondary involvements with society.	Choose charitable investments that actually pay off in social problem solving (i.e., apply an effectiveness criterion).

Figure 1: Sample Outcomes of Acting on CSR Principles Within CSR Domains

Source: (Wood 1991)

research. Secondly, (Donaldson and Preston 1995) goes beyond simple stakeholders' existence acknowledgement but actually states their management importance in business operations. Each stakeholder has its own value in a firm's life cycle. Government creates a legal field on which a firm operates, business owners are interested in profits and apply all available tools to ensure their generation while customers act as a source of these profits. All these stakeholders, which are only a part of the whole stakeholder system, are to be treated differently but obviously are relatively equal in their influence on the firm.

Another stream of CSR thought is dedicated to variations on the concept itself. Particularly, the twenty first century works on Corporate Social Responsibility introduce a concept of "Corporate Social Citizenship" developed in (Logsdon and Wood 2002). The main idea of the new concept was to redirect approaches towards CSR from obligations to be responsible that are put on firms to rights and duties that are given and required in return from firms. The concept of Corporate Social Citizenship frames CSR in a more close to reality terms and provides more useful insights for businesses meaning that CSR practices deployment is a deliberate choice of each individual company. Given that firms get more understanding of why and how they should be involved in CSR activities

(Moon, Crane, and Matten 2005) criticize the concept of corporate social citizenship questioning the idea of citizenship application to a business entity. On the other hand, the concept seems to be promising and is to be further developed in modern managerial literature.

Along with the theoretical Corporate Social Citizenship concept a more practical approach is developing in scientific literature - Corporate Social Sustainability. (Steurer et al. 2005) investigate strategies of how a firm should operate to balance among stakeholders' needs and requirements. Interestingly, while a theoretical field on CSR is still developing some of its principles are already reflected in international reporting standards like ISO 14001 or SA 8000. Strategic management area of study easily incorporates ideas of a Corporate Social Sustainability since this concept is more practice oriented and offers solutions for a real business. Usefulness in terms of real life implementations is very important for scientific development of the subject.

All in all, development of CSR concept in scientific literature has left us with the understanding of the need to satisfy along with business owners' demands those of other interested parties who are influencing or exist under the influence of a business itself. Thus, the definition of CSR lies in identification of such a need and formalization of it in a term "Corporate Social Responsibility". The question to be further answered is how to justify CSR intentions before decision makers within a business unit and understand how beneficial CSR deployment for a business or how severe negative impact of not doing so. These issues are to be addressed in the following sections of the paper.

1.2 Benefits of CSR Involvement

Corporate social responsibility is often considered as a profits sacrifice of the companies for the sake of ambiguous reasons. Some pieces of scientific literature aim to investigate the logic behind CSR investments, since they are considered to be a profits sacrifice and not investments in the future of a company. One of such is (Reinhardt and Stavins 2010).

The question stated in the research is divided into several parts that are: Do firms have responsibilities to commit resources to environmental protection? How should we perceive the concept of sacrificing profits for the sake of being responsible? May firms sacrifice their profits when certain stakeholders are concerned? Can companies sacrifice their profits on a sustainable basis? Do they behave this way in practice and even should they? Answering these questions authors address modern literature and real life examples. Justifying their logic, the authors apply legal, economic and even moral principles.

The main findings of the article are pro CSR as to say. (Reinhardt and Stavins 2010) says: "although the judicial record is supportive of a duty to maximize profits for shareholders, it leaves room for firms to sacrifice profits in the public interest". The firms are not prohibited to sacrifice their profits for society's needs but at the same time they are not enforced to. "First, the firms that engage (or say they engage) in CSR are often active in markets that are imperfect or distorted by government intervention, so that they are protected from Friedman's evolutionary imperatives. Second, principal-agent problems may lead managers to make decisions that commit the firm to

short-term CSR actions, even if those activities will not be continued in the long run”.

The article (McWilliams and Siegel 2001) builds a theoretical approach to solving perhaps the most bothering problem concerning corporate social responsibility nowadays. The problem is if CSR is worth implementing in terms of benefits for a particular company.

The article aims to place a CSR into a common set of corporate performance determinants using a demand and supply framework, therefore, taking CSR for an economic means. Moreover, the author claims an actual possibility to determine a certain amount that should be invested in CSR activities to maximize a positive effect on the company's performance. Thus, we conclude that the paper addresses CSR field of study with a particular interest in its ability to foster a company's development.

The demand side of the framework is worked out from different angles which are generally consumer side and other stakeholders side. The first one in turn implies several levels. The consumer demand for CSR is investigated in terms direct and indirect effects of CSR deployment on a consumer. On the one hand, there are side effects from differentiation strategy application by the company, e.g. additional investment in R&D can result in a more efficient and thus more socially responsible solution for the product. On the other hand, CSR itself can be attractive to consumers and, therefore, massive advertising of a CSR peculiarities of either a socially responsible company or a product can result in increased sales.

As it is mentioned above there are also other stakeholders that are analyzed in the article regarding CSR implementation. The author put an example of labor force that can be motivated and engaged in a company more efficiently by CSR activities. This comprehensive approach to a demand side of a framework regarding CSR gives much credit for the author of the article. All the insights are to be tested on up-to-date data but conclusions made in the paper and proposed hypotheses build a solid basis for a further research.

The supply side of the framework is mainly focused on costs regarding CSR deployment by the company which is also important and is necessary to mention. The insights from this part of the article are to be taken into account while comparisons are being made in further researches, e.g. the author states a hypothesis that scale or scope economies can affect the likelihood of CSR presence in companies, thus these companies' features are to be controlled.

Besides, the author admits the possibility to determine an optimal CSR budget for a particular company willing to improve its performance. It is advised to be done by means of a cost benefit analysis and seems to be thought-provoking. What undermines the article the most is the lack of research itself. Insights are provided, hypotheses are stated and even some sort of a theory is constructed upon all of these but no application of it is in place. The problem of empirical research regarding CSR ability to improve a company's performance absence is stated but not solved. The same stands for a lack of data problem also stated but not solved in the article.

(Du, Bhattacharya, and Sen 2010) in their article studied the importance of CSR activities involvement of the company to its stakeholders since there are direct and indirect effects typical

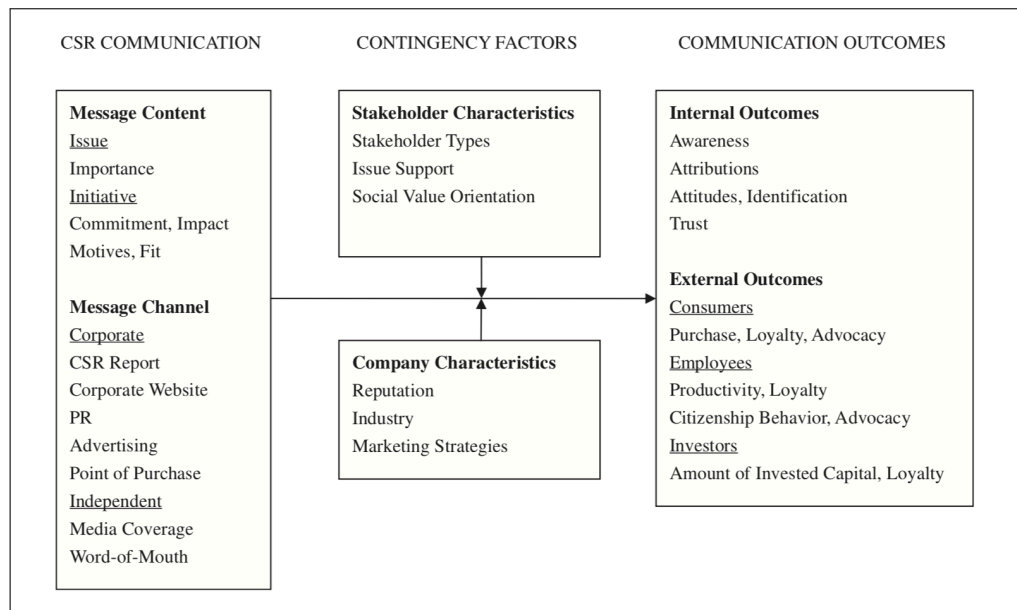


Figure 2: A Framework of CSR Communication

Source: (Du, Bhattacharya, and Sen 2010)

for CSR. This article contributes to indirect ones' study and the role of CSR communication investigation. The most important is that the article also provides us with the conceptual framework of CSR communication which reveals the justification of CSR bringing positive effects to companies. On the figure 2 the framework is presented.

(Du, Bhattacharya, and Sen 2010) conclude that it is not only CSR deployment itself but also how it is communicated outside the company. Only a mixture of effective use of both internal CSR means and external means of communication can result in a maximum positive impact on the company.

Another important issue was brought by (Cheng, Ioannou, and Serafeim 2014). Benefits for the company can also be indirect, for example CSR policy deployment can make a company more transparent and therefore broaden the boundaries of external financing opportunities for a particular business. Apart from increasing transparency, there has also been spotted a positive relationship between CSR activities and a level of stakeholders' engagement.

(McWilliams and Siegel 2000) tried to correct some previous research's flaw in a model specification. The main contribution of the paper lies in the statement of strong correlation between CSR activities implication and investment in R&D since a great portion of CSR is connected to efficiency improvement, e.g. improvements towards environmental security, safety conditions or losses decreases. Moreover, the authors link CSR to efforts in creating a company's image of a responsible one reflecting in an advertising campaigns.

The article argues that even though many researches had identified particular directions of CSR influence on a company's performance those results were biased due to misspecifications of models used previously. The statement is supported by finding a neutral effect of corporate social performance on financial performance when controlled on R&D investments. These findings open

a discussion on whether CSR is worth investing in at all or there are some determinants of its success or even there are some other factors that mislead our conclusions when conducting an empirical research.

The mentioned research identifies the important relationship between R&D and corporate social performance but still does not give us a firm answer to the question of CSR's ability to have a positive effect on a company's performance. We bear in mind the necessity to control variables that are able to bias our estimations and intend to fill in the research gap concerning CSR influence on the overall company's performance.

The hypotheses that a firm's environmental performance has a positive impact on its financial performance and vice versa are statistically supported by Japanese data in (Nakao et al. 2007). However, this tendency for two-way positive interaction appeared to be only a relatively recent phenomenon. The tendency for realizing the two-way interaction is not limited to the top-scoring firms in terms of both financial and environmental performance. On the contrary, this is also a trend that can be observed fairly generally. Only scores of those companies that published the relevant information in their environmental reports were considered, and the statistical causality test was conducted with such information as additional input to the pooled time-series and cross-section data of financial performance, the results become more strongly significant. From the recent experience of environmental policies in Japan, authors infer that information-based environmental policy measures are effective to encourage the ongoing transition toward a more sustainable market economy.

Another representative and more recent quantitative research is (Hawn and Ioannou 2016). The dataset is large, a sophisticated econometrics model had been used, thus this particular study is worth mentioning.

The research question in the considered research is stated the following way: how the interplay between internal and external CSR activities of a company is associated with the company performance. The research question is answered through testing hypotheses "The more prior internal and current external actions that a firm undertakes (i.e., the greater their sum), the higher its market value." and "The wider the gap between a firm's current external and prior internal actions, the lower its market value." Thus, the research kills two birds with one stone investigating simultaneously the overall effect of CSR deployment and the gap between internal and external actions.

The importance of the research is justified by the statement that even though the positivity of companies' attitudes towards CSR is not questioned that much, there is still misunderstanding of effective CSR application mechanisms. Moreover, the author argues that unevident distinction between internal and external activities has its impact and addresses this issue particularly.

The concept of the research lies under to main statements. The first one is that outsiders identifying the company as a socially responsible one value it more than those that are not considered to be socially responsible other things being equal. The second one is that the more the

company invests in internal CSR resources in comparison to external ones the more difficult it is for outsiders to identify the extent of CSR deployment by the company and, thus they value it less. The conceptual framework is supported by the econometric model consisting of variables like Stock Value of the firm at a moment t , CSR index (ASSET4 dataset provided by Thomson Reuters) and other control variables like R&D and Advertising expenditures.

The author of the article concludes that, since there are no significant reasons to reject stated at the beginning hypotheses, there is a significant positive effect of CSR investment on a company's market value and the more company focuses on internal issues the more it is penalized by market in terms of its market evaluation. These results are obtained through a linear regression and coefficients' analysis.

Statistical studies always deserve admiration due to their complexity, especially when they are well supported by a smart reasoning and the research under consideration is not an exception. The sample had been gathered from a valid source and seems to be representative since consists of a significant amount of data. Moreover, the results of the main research were supported by control regressions that tested the effects of particular industries (e.g. Natural Resources).

As far the negative attributes of the research are considered, we can point out that the article is mainly concentrated on the relationships investigation but lacks reasons identification. Even though it brings practical value it does not provide any particular advice. Moreover, as many econometric researches, this one does not determine particular values that can be applied in real business. The results are to be further proved.

Possible improvements for this particular research lie in a more detailed investigation of causes and effects of reported issues. Perhaps, primary data can be useful to support found results. A particular example can also enforce the argumentation put in the article.

(Orlitzky, Schmidt, and Rynes 2003) provided a meta-analysis of quantitative studies regarding CSR influence on companies' financial performance and came up with interesting findings. First of all, it has been concluded that CSR involvement can bring positive effect to the corporate financial performance and majorly in terms of accounting means of estimation rather than market ones. Moreover, the authors managed to decompose CSR effects and found out that a reputation component of a CSR impact is the most influential one when corporate performance is considered.

On the other hand the article (Halme and Laurila 2009) argues that previous research on the outcomes of corporate responsibility should be refined in two ways. First, although there is abundant research that addresses the link between corporate responsibility (CR) and financial performance, hardly any studies scrutinize whether the type of corporate responsibility makes a difference to this link. Second, while the majority of CR research conducted within business studies concentrates on the financial outcomes for the firm, the societal outcomes of CR are left largely unexplored. To tackle these two deficiencies, this article extends the different conceptualizations of corporate responsibility and elaborates both the financial and the societal outcomes of different types of CR. Interestingly, the research rises the question of distinguishing CSR practices and their

influence on corporate operations.

The article (Bernal-Conesa, Nieves Nieto, and Briones-Peñalver 2017) presents a model of structural equations to study the adoption of the corporate social responsibility (CSR) strategy in the industrial sector of Spain and how this strategy can affect its efficiency, competitiveness and sustainability. For this reason, the survey was presented to technology companies located in Spanish science and technology parks. The study shows that CSR-oriented strategy makes a significant contribution to the work of the organization. In addition, CSR affects the competitiveness of technology companies and, in particular, their sustainability. Authors once again point out that CSR activities deployment is an important practice for a company's sustainability.

This section focused on ability of CSR activities to be beneficial for a company. Clearly there are empirical researches that prove this to be true but ambiguity in this field still exists. Moreover, even though the correlation between positive effects of CSR on companies financial performance has been identified the reason for this remains unclear. In the following section we are to address a field of consumer behavior studies attempting to explain CSR positive effect from the customers' point of view.

1.3 Influence of CSR on Consumer Behavior

One of the possible approaches to explaining CSR ability to positively effect a company's financials is its influence on consumer behavior. Customers of a pro-CSR company are perceived more likely to be loyal to it in comparison to customers of a company that is not famous for its CSR activities and subsequently even more loyal than those of a company that violates any CSR principles.

In the study (Schramm-Klein et al. 2016) the concept of a positive CSR information provision influence on consumer behavior is proven on the example of retail industry. A complex research containing telephone interviews, questionnaires filled out in pedestrian areas by regular retail shop customers and online surveys showed that given credible CSR activities undertaken by a retailer could positively effect consumer behavior of its customers. Moreover, consumers that are more CSR oriented become more loyal to retailers that are pro-CSR.

Another research in a retail industry (Hofenk et al. 2017) investigates which mechanisms underlining a CSR activities promotion result in a positive consumer response. The study was conducted on a retail field in order to advise retailers on how to transmit CSR values and information to customers with a positive effect. Authors used a framework illustrated on a figure 3.

The research under consideration decomposed CSR activities into two levels: assortment (inclusion of CSR products in the assortment provided in the store, including environmentally-friendly products, etc.) and distribution (location of stores and general customer care by retail shops). One more important issue discussed in the paper is control for personal and social norms of respondents and understanding of how these features influence the level of positive CSR effect.

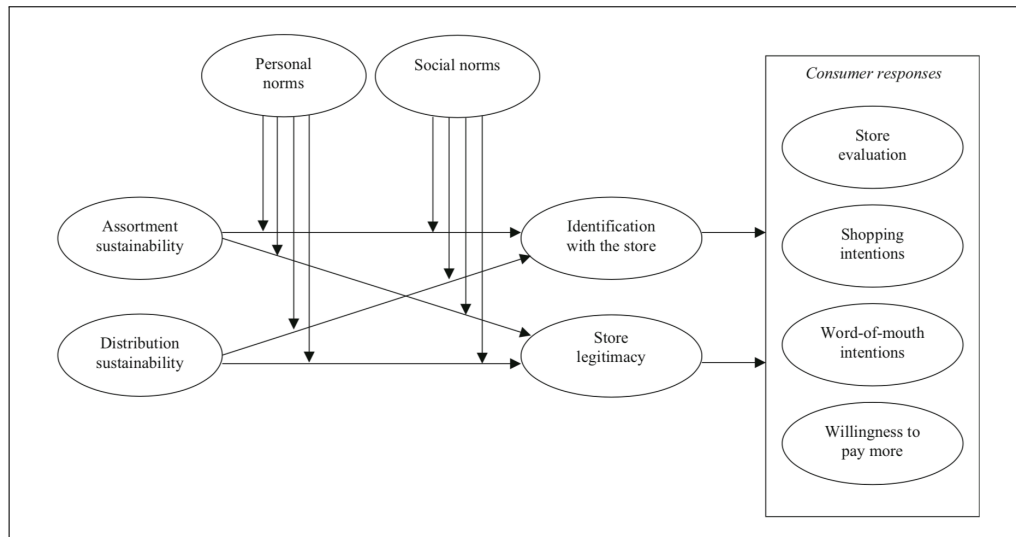


Figure 3: Conceptual Model for Consumers Responses Analysis

Source: (Hofenk et al. 2017)

Authors of the research conclude that there is a very low awareness of CSR activities undertaken by companies and a proper provision of CSR information could bring profit for companies on a real market. Moreover, (Hofenk et al. 2017) suggests a further research of a real consumer behavior not in a modeled environment.

The two previously discussed researches were controlling effects of CSR information on consumer behavior on CSR perception of customers. (Palihawadana, Oghazi, and Liu 2016) studied how different cultural peculiarities are reflected in CSR perception implying that there are deeper roots to CSR acceptance than just education on the topic. Importantly, the mentioned study points out the lack of research on CSR in developing countries environment.

Cultural peculiarities and their differences associated with consumer behavior were investigated in two dimensions: idealism and egoism. (Palihawadana, Oghazi, and Liu 2016) underlines that in some regions in the world the one out of two discussed ideologies is prevailing. Vietnamese are, for example, more idealistic than egoistic nation. The main findings of the research are the following: idealistic and egoistic ideologies diametrically different in their influence on CSR perception meaning that the former one implies positive approach while the latter one negatively effects relation towards Corporate Social Responsibility. Moreover, authors pay attention to the fact that positive attitude towards a CSR should be perceived by businesses as an opportunity to promote their CSR activities in order to get customers' attention and perhaps increase their sales.

The research (Yu et al. 2017) addresses issues of information on CSR activities deployment by a certain company ability to improve customers' brand perception and positively influence their willingness to buy the company's production. Moreover, the article investigates different channels of such an information provision and their effectiveness in positive effects on consumer behavior. The research implied an experiment on consumer behavior testing customers' evaluation of a company after experiencing CSR information provided through one of three different channels.

The main findings of (Yu et al. 2017) are the following:

- All three types of CSR information provision channels positively effect consumers' evaluation of a company
- Information on CSR adoption by a company provided by a third-party media has the least positive effect on consumer behavior
- CSR information that could be retrieved from a company's CSR report has the mediocre positive effect on consumer behavior
- A star rating of company's CSR activities deployment provided on a website where a purchase is happening provides the largest positive effect on consumers' evaluation of the company

The article is contributing to both theoretical and practical fields and highlights the interaction of CSR information and consumer behavior. Authors managed to approach the issue from the most interesting business-wise angles.

The study (Lee and Shin 2010) investigates the relationship between consumers' CSR perceptions and their purchasing intentions. Corporate Social Responsibility activities were categorized as follows: corporate social contribution (local economic development, consumer protection, social welfare, donations, and education), corporate environmental contribution (environmental protection), and corporate local community contribution (culture activities, local community development and local community involvement). Authors approach the topic with the questionnaire that included questions both on respondent's perception of CSR and on their purchasing intentions towards pro-CSR companies. The study shows that, firstly, CSR awareness, at least among Korean population, is growing steadily, secondly, people with greater CSR awareness are more likely to purchase CSR goods from socially responsible companies.

The study under consideration is also worth mentioning since it is one of the few to point out the distinction between different CSR practices that are deployed by companies and differences in their power of inducing consumers' purchasing activity. This study showed that consumer awareness of CSR activities and their intentions to buy are positively related. It is interesting to note that a higher level of awareness of the corporate social responsibility and the contribution of the local community as a CSR activity had a more positive impact on the intentions of buyers to buy. This implies that "good" CSR activities are appealing to customers, and they tend to buy products from "good" companies. It is interesting that the activity of CSR in the form of corporate environmental contribution had little impact on consumers willingness to buy.

(Groza, Pronschinske, and Walker 2011) hypothesize that consumers' perception of organizational motives (i.e., attributions) mediate the relationship between consumers attitudes positive and CSR activities deployment by the organization. It was also suggested that the source of CSR information and its placement might affect consumers evaluation of firms initiatives. The results

show that the nature of CSR initiatives affect customers purchasing intentions. Moreover, the study shows that the source of the CSR message mitigates the impact of CSR on a consumer. The indirect influence of a company's motives, as well as the importance of the source of information, suggest that proper communication of CSR can be a viable way to ensure positive corporate associations and subsequent sales.

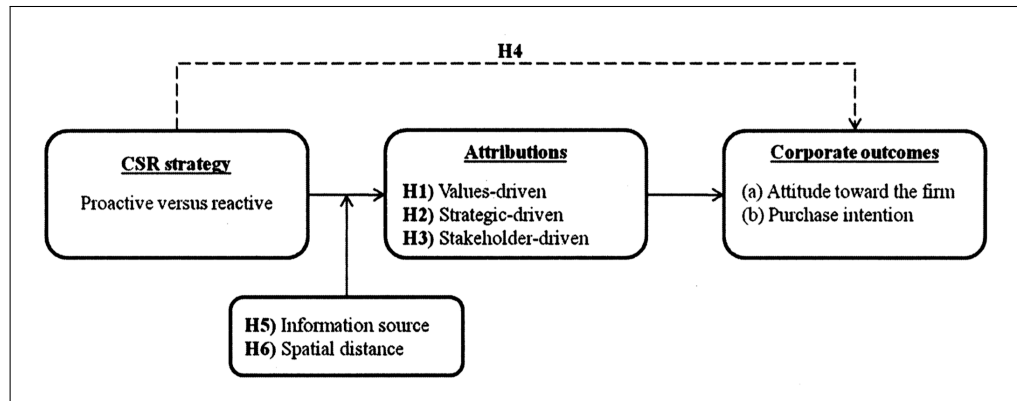


Figure 4: CSR Strategy Corporate Outcomes
Source: (Groza, Pronschinske, and Walker 2011)

The figure 4 describes the research design of (Groza, Pronschinske, and Walker 2011). On all of the three framework stages the research discovers relationships that are to support future marketing strategies regarding CSR activities communication to customers. Proactive value-driven and strategic-driven CSR activities are evaluated higher by customers. Moreover, it was proved that if CSR information is provided by the company itself it effects the consumer behavior more providing evidence of CSR information provision importance in marketing company's goods for sale.

As it has already been stated that the interest in Corporate Social Responsibility is growing recently which is happening all around the globe. An important study on connection of CSR and consumer behavior was conducted in China (Tian, Wang, and Yang 2011). The study commonly controls consumers purchasing intentions on their level of CSR awareness. More importantly (Tian, Wang, and Yang 2011) rises the question of differences of CSR influence among product categories. The authors use goods classification known in economic literature: experience products (those information on which is hard to obtain before use of a good), search products (those that are purchased on the basis of a prior research regarding good's characteristics) and credence products (those that possess ambiguous value for a consumer even after use experience). Results of this study show that firms selling experience products are indeed more likely to gain consumers' product favor.

Consumer behavior is extensively connected to marketing strategies within corporate structures. (Assaf et al. 2017) conduct an empirical research CSR ability to increase advertising returns by the increase in sales. Managerial implications of the research lie in the field of CSR activities marketing would benefit companies in hospitality industry. Of course, authors of the article pay attention to the importance of CSR perception and necessity of controlling for this while deciding

on investing in advertisement of CSR information.

Recent studies on consumer behavior with the focus on how CSR can influence it show that in most areas customers are positively influenced by CSR activities deployment by businesses. Moreover, power of such an influence can be dependent on cultural peculiarities and CSR awareness of customers in general.

2 Methodology

This part of the paper is dedicated to a research design. The design composition starts with the research gap identification. In order to fulfill the gap in the scientific field we should narrow the problem and define a list of questions to be answered. A scientific approach to addressing research questions implies a set of propositions that are tested in a research and therefore put the light on the field of study under consideration. The structure of the Methodology part follows the process of designing a research and aims to clarify steps undertaken in order to conduct a research.

2.1 Research Questions

Literature review presented in the section 1 of the paper helps us to define the problem which is not yet investigated enough by the researches in marketing but still needs to be solved. This paper has identified the lack of research in the field of how CSR can improve a company's ability to increase consumer's willingness to buy. In particular, the research gap lies in how information on CSR provision can influence consumer behavior. Researchers claim that marketing field needs a proper identification of how CSR influence on consumer behavior differs either among different nationalities or among different product categories. Moreover, the scientific society has poorly addressed an issue of how distinct CSR practices can differ in their ability to improve company's ability to increase consumer's willingness to buy.

The paper is to fulfill the stated above gap on all three dimensions:

1. Difference in CSR information provision influence on consumer behavior among different cultural backgrounds
2. Difference in CSR information provision influence on consumer behavior among different product categories
3. Distinction in different CSR practices abilities to positively impact consumer's willingness to buy

We find listed problems crucial for commercial companies since many firms nowadays are spending money on different CSR practices but fail to communicate this to their customers and therefore lose their chances to improve their market positions. To guide commercial companies in their CSR communication to consumers we state the following research questions:

Research question #1: How CSR information provision influence on consumer behavior differs among different nations?

Research question #2: How CSR information provision influence on consumer behavior differs among different product categories?

Research question #3: Which type of CSR activity, regarding different product categories, is preferred by consumers?

Investigation of research questions risen in this particular research implies propositions testing. Since the paper studies a complex marketing problem we came up of a multilevel hierarchy of proposition that are to be discussed in detail in the following sections. Further we are describing the process of testing in detail by conjoint analysis use justification and questionnaire composition peculiarities.

2.2 Differences in Cultural Backgrounds

A huge part of social studies is dedicated to cultural differences among different nations. Russia is one of the most interesting objects for social studies scholars since historically has always been between two diametrically different worlds: West and East. Rich history of Russia incorporates examples of both western and eastern influences, starting with northern countries invasion of modern Russian territories through Trade route from the Varangians to the Greeks, ending with Mongol and Tatar raids against Russia or Chinese influence on the Eastern part of the country bordering with China.

There are even empirical studies on how cultural differences affect management styles in different countries. (Elenkov 1997) states that there are significant differences between Russian and American managers implying that USA managers are representatives of a western management style while Russians have there distinctive characteristics. This study supported findings of (Franke, Hofstede, and Bond 1991) concluding that countries with western values and less strict hierarchical societies show higher GDPs. Moreover, (Franke, Hofstede, and Bond 1991) advise business to account for cultural differences since globalization implies international operations.

Given strong empirical evidence on cultural differences between western and eastern countries and their impact on economic performance we conclude that these features are important to be taken into account while doing marketing also. Since the paper is concentrated on CSR information provision we are interested in CSR perception peculiarities in different countries. In (Kuznetsov, Kuznetsova, and Warren 2009) the objective was to probe whether the reaction by Russian managers would be in line with expectations grounded in western theoretical constructs, in particular the concept of business legitimacy. The study provides evidence of a discrepancy between anticipated outcomes based on the studies, reflecting western practice, and actual attitudes shown by Russian managers. Subsequent study (Filippov 2012) shows that Russian business society has low CSR awareness which is quite different from that of Western partners.

Thus, the research is intended to understand if Russian peculiarities in business styles and CSR awareness would be reflected in consumer behavior. We formulate the proposition 1 to be tested empirically in order to fill the gap stated in the research question 1 in the section 2.1.

Proposition 1. *Influence of CSR information provision is significantly different between EU citizens and Russian citizens.*

2.3 Classification of Products

Marketing research is a comprehensive scientific field which considers different business problems. It is no wonder that soon after first marketing tools were invented they appeared to be effective in particular cases while being completely ineffective in others. This lead marketing researchers to a conclusion that neither products nor consumers nor producers were to be treated as equals and difference among them actually exists.

In this paper we concentrate on differences that exist among products. Since this particular research is intended to investigate how different information about a product can influence consumer behavior we focused on classifications that are based on estimation of efforts conducted by a consumer towards searching and buying a good.

In (Copeland 1923) the first attempt to classify products was undertaken and the classification itself was based on consumer behavior towards different goods types. Different marketing researches also addressed issues concerning product classifications, e.g. (Kotler 1971) suggested his own product typology in a form of a matrix with two dimensions: satisfaction and needs. In a more contemporary (Harris 2009) Kotler's typology was further extended by addition a new dimension which is social and environmental welfare. (Assael 1974) and (Winzar 1992) provide product classifications review present in literature in different times and their links to consumer behavior. These works still come back to original classification provided by (Copeland 1923) so we decided to focus on this one in this particular work.

Consumer goods are divided into three distinct categories according to (Copeland 1923). The table 1 provides definitions for all three of those with examples.

Table 1: Goods Classification

	Convenience Goods	Shopping Goods	Specialty Goods
Definition	Convenience goods are those customarily purchased at easily accessible stores. The consumer is familiar with such goods and as soon as she recognizes the want, the demand usually becomes clearly defined in her mind.	Shopping goods are those for which the consumer desires to compare prices, quality and style at the time of purchase. Usually a consumer wants to make this comparison in several stores.	Specialty goods are those that have some particular attraction for the consumer other than price. In purchasing the specialty goods the consumer determines in advance the nature of the goods to be bought.
Example	Tooth paste	Smart-phone	Car

Source: (Copeland 1923)

According to (Copeland 1923) products are classified on the basis of consumer behavior differences, thus, we expect CSR information provision effect on consumer's willingness to buy a product of a certain category to be different within the classification. Following this logic we formulate the proposition 2.

Proposition 2. *Influence of CSR information provision is significantly different among different product categories*

This research also implies numerical comparison of CSR effect among categories, therefore, we assume the pattern reflected in propositions 2.1, 2.2.

Proposition 2.1. *Information on CSR is more important for Convenience goods than for Shopping goods.*

Proposition 2.2. *Information on CSR is more important for Shopping goods than for Specialty goods.*

2.4 Classification of CSR

Once a classification of goods has been established the research needs also a definition of CSR activities that are to be tested. It has already been understood that CSR itself can take different forms and shapes and for the sake of research purposes we have to narrow it down. Since the research is on consumer behavior and particularly on how different products' features are influencing consumers' willingness to buy a certain product a classification of CSR presented in the table 2 was chosen.

Table 2: CSR Features Classification

	CSR on a Product Level	CSR on a Corporate Level
Definition	Corporate Social Responsibility on a product level is reflected in the product itself, e. g. in a form of a particular socially responsible feature of the product.	Corporate Social Responsibility on a corporate is reflected in the corporate organization of a company that produces a good, e. g. in a form of a socially responsible practice adopted within the companies' structure.
Example	Ecological materials used in production of a good	Disabled people assistance in an office

Such a classification provides a researcher with opportunity to test the perception of CSR in the dimension close to real life understanding of the phenomenon by consumers. It is how consumers generally decompose CSR activities when they are processing information about a product and its producer.

Moreover, we should distinguish product's features and corporate activities regarding Corporate Social Responsibility. The information on the former one is normally displayed more explicitly and on the latter one in a more ambiguous way. Such a distinction provides a researcher with opportunity to supplement to practical field by finding the importance of CSR on a corporate level information provision significant for a consumer and therefore for a producer profit-wise. The proposition 3 formulated in order to test the stated above arguments.

Proposition 3. *Influence of CSR information regarding a product is significantly different than that of CSR information regarding producer of a product.*

2.5 Conjoint Analysis

Conjoint analysis has its origins in (Luce and Tukey 1964). The essence of such an approach is identification of consumers' preferences towards different attributes of alternatives. The most popularity the method gained in marketing research, especially in studies dedicated to factors influencing consumer behavior while purchasing goods.

The classical conjoint analysis is based on a questionnaire where respondents are asked to evaluate different alternatives with several attributes which differ in each case on a predefined scale. Such an approach allows researchers to understand customers' preferences towards different attributes provided by customers themselves. The main drawback of a classical conjoint analysis is that people are not able to understand what is really important for them in a decision making process all the time.

Choice-based conjoint analysis (CBCA) acts as an alternative to classical one. First proposed by (Louviere 1988) choice-based conjoint analysis sets a goal to simulate real life choice experience for a customer. In detail, CBCA is conducted with the help of a poll in which respondents are asked to make a choice between several alternatives based on goods' features shown. No points are assigned to any of the alternatives, respondents are only asked to make a trade-off like in real life in front of a shelf in a shop or during the search in the alternative source of information and selecting a product of the most preference.

For this particular paper's purposes we have chosen the CBCA as a key research tool since it would simulate a closer to real life experience in product choosing and result in a more trustworthy conclusions. CBCA implies logistic (logit) model implication. Generally, logit model estimations are based on frequencies of different attributes in respondents' answers. Logit model was also chosen to provide the research with necessary comparisons of CSR information provision weight in consumer decision making process, which is provided by marginal effects calculation explained by (Hosmer Jr, Lemeshow, and Sturdivant 2013). Logistic analysis is a useful tool in approaching response data. Even more importantly the simple logit regression helps to deal with binomial dependent or response variables which goes in line with the intended research aims and methodology.

Use of the logit model implies determination of the factors for each product to be tested and levels for each factor. Tables 3, 4 and 5 comprise all the features that appeared in the survey conducted in the framework of this research. To make all three products comparable in terms of factors' influence on consumers' decisions we stayed with seven factors per product. Of course, *specialty* goods can be characterized with more features than, e. g. *convenience* goods, but for research purposes we made this assumption that factors included for all the goods categories are the most essential ones in consumers' decision-making process.

Table 3: Number of Toothpaste Features

Factors	Levels		
Teeth Sensitivity	For sensitive teeth	For normal teeth	
Gums Condition	For sensitive gums	For normal gums	
Caries	Against caries	No caries protection	
Whitening	Whitening effect	No whitening effect	
Taste	No taste	Fruit	Fresh mint
Price	\$1	\$2	\$3
CSR	No CSR Information	CSR on a product level	CSR on a company level

We defined CSR information to appear in the questionnaire on both product and corporate level: for the toothpaste as CSR information on a product level acts "The toothpaste does not contain any adverse to humans or environment components"; for the toothpaste as CSR information on a company level acts "The production facilities are considered to be CO² neutral according to international standards".

Table 4: Number of Smart-phone Features

Factors	Levels		
Screen size	4.7 inch	5.5 inch	5.8 inch
Memory	32GB	64GB	128 GB
Camera	12MP	10MP	
Operating system	iOS	Android	
Weight	148 g	174 g	202 g
Price	\$699	\$799	\$999
CSR	No CSR Information	CSR on a product level	CSR on a company level

For the smart-phone as CSR information on a product level acts "The smart-phone parts are recyclable"; as CSR information on a company level acts "The producers donates to fund that help people to fight cancer".

Table 5: Number of Car Features

Factors	Levels		
Safety rating	3 stars	4 stars	5 stars
Power	136 hp	184 hp	249 hp
Interior	Fabric	Leather	
Drive	Front wheels	Rare wheels	4x4
Country of origin	USA	Japan	Germany
Price	\$55000	\$45000	\$35000
CSR	No CSR Information	CSR on a product level	CSR on a company level

As for CSR information considering car on a product level we defined the following: "The car uses inertia momentum to decrease air pollution"; on a company level - "The producer finances road safety education for children".

After all the factors and levels had been defined we can use R software to construct full factorial design of data to be used in the future analysis. The full factorial design in essence is a list of all possible combinations of products with features listed in tables 3, 4 and 5.

Running the R code we got a full factorial design for Toothpaste with 432 combinations. Same procedure as for Toothpaste was conducted for Smart-phone which acts as a representative example of a shopping good in this paper. The list of all possible features combinations for Smart-phone contains 972 of those. The similar procedure for Car as a specialty good resulted in 1458 possible combinations of features. In all three cases it is impossible to include all the combinations in the final questionnaire since it would take infinity for a respondent to answer $432 + 972 + 1458 = 2862$ questions in total. Several researches (Johnson and Orme 1996), (Bansak et al. 2018) on optimal number of questions, especially for a marketing research, claim that a regular respondent is able to consciously answer from 20 to 50 questions. Moreover, CBCA questions are answered quiet quickly since they are much alike each other and require a respondent to destinguish different features only. Therefore, in this study we reduce the number of combinations to an optimal level to decrease the number of questions in the final questionnaire while preserving the quality of data collected.

2.6 Fractional Factorial Design

As we can see the number of factors and levels in each scenario result in a large number of possible combinations which goes far beyond the optimum for a questionnaire. In order to optimize the number of alternatives used in this particular research we use a method introduced by (Fedorov 1972) and still widely used by researchers from different fields of studies (Mariet and Sra 2017), (Allen-Zhu et al. 2017).

The basic idea behind the Fedorov algorithm is to calculate the delta-value for all the possible exchange pairs from the current design and the candidate runs, and then select the pair with the highest value. At each iteration, it calculates $n \times N$ deltas (where n is the number of runs in the current design matrix and N is the number of runs in the candidate run matrix) and chooses the best one for exchange. The algorithm stops when the change of the determinate is less than a pre-defined small value.

R software allows us to apply Fedorov's algorithm to our full factorial designs and produce optimal sets of combinations to be used in the questionnaire. We set the number of required combinations to 15. In the tables 6, 7 and 8 all the combinations that were used are presented.

Table 6: Fractional Factorial Design of Toothpaste

Teeth	Gums	Caries	White	Taste	Price	CSR
2	1	1	2	1	1	1
1	1	2	1	3	1	1
2	1	2	1	2	1	2
1	2	1	2	3	1	2
2	2	2	2	1	1	3
1	2	1	1	2	1	3
2	2	1	1	2	2	1
2	2	2	2	3	2	1
1	1	1	2	1	2	2
1	1	2	1	1	2	3
1	2	1	1	1	3	1
1	1	2	2	2	3	1
2	2	2	1	1	3	2
1	2	2	2	2	3	3
2	1	1	1	3	3	3

Digits in columns represent levels of factors (table 3):

Teeth = 1 - Toothpaste for sensitive teeth, Teeth = 2 - Toothpaste for normal teeth;

Gums = 1 - Toothpaste for sensitive gums, Gums = 2 - Toothpaste for normal gums;

Caries = 1 - Toothpaste against caries, Caries = 2 - Toothpaste without caries protection;

Whitening = 1 - Toothpaste with whitening effect, Whitening = 2 - Toothpaste without whitening effect;

Taste = 1 - Toothpaste with no taste, Taste = 2 - Toothpaste with fruit taste, Taste = 3 - Toothpaste with fresh mint taste;

Price = 1 - Toothpaste costs \$1, Price = 2 - Toothpaste costs \$2, Price = 3 - Toothpaste costs \$3;

CSR = 1 - No CSR information is provided, CSR = 2 - CSR on a product level is provided, CSR = 3 - CSR on a corporate level is provided.

Table 7: Fractional Factorial Design of Smart-phone

Screen	Memory	Camera	OS	Wiegth	Price	CSR
1	1	1	1	1	1	1
2	3	1	2	3	1	1
2	1	2	2	2	2	1
3	2	2	1	1	3	1
3	1	2	2	1	1	2
3	2	1	2	2	1	2
2	3	2	1	1	2	2
2	2	1	1	2	3	2
1	1	2	2	3	3	2
1	3	2	1	2	1	3
2	2	2	1	3	1	3
1	2	1	2	1	2	3
3	1	1	1	3	2	3
2	1	1	2	1	3	3
3	3	2	2	2	3	3

Digits in columns represent levels of factors (table 4):

Screen = 1 - Screen diagonal size is 4.7 inch, Screen = 2 - Screen diagonal size is 5.5 inch, Screen = 3 - Screen diagonal size is 5.8 inch;

Memory = 1 - Memory disk space is 32GB, Memory = 2 - Memory disk space is 64GB, Memory = 3 - Memory disk space is 128GB;

Camera = 1 - Smart-phone's camera matrix size is 12 megapixels, Camera = 2 - Smart-phone's camera matrix size is 10 megapixels;

OS = 1 - Smart-phone runs iOS, OS = 2 - Smart-phone runs Android operating system;

Weight = 1 - Smart-phone weights 148 grams, Weight = 2 - Smart-phone weights 174 grams, Weight = 3 - Smart-phone weights 202 grams;

Price = 1 - Smart-phone costs \$699, Price = 2 - Smart-phone costs \$799, Price = 3 - Smart-phone costs \$999;

CSR = 1 - No CSR information is provided, CSR = 2 - CSR on a product level is provided, CSR = 3 - CSR on a corporate level is provided.

Table 8: Fractional Factorial Design of Car

Safety	Power	Interior	Drive	Country	Price	CSR
1	3	2	2	2	1	1
2	3	1	3	3	1	1
1	2	2	3	1	2	1
3	3	1	1	2	2	1
3	2	1	2	1	3	1
2	1	2	1	3	3	1
2	2	2	1	2	1	2
1	1	1	2	3	2	2
1	3	1	1	1	3	2
3	3	2	3	3	3	2
3	1	1	3	1	1	3
1	2	2	1	3	1	3
2	3	2	2	1	2	3
2	2	1	3	2	3	3
1	1	2	3	2	3	3

Digits in columns represent levels of factors (table 5):

Safety = 1 - 3 star safety rating according to The European New Car Assessment Programme, Safety = 2 - 4 star safety rating according to The European New Car Assessment Programme, Safety = 3 - 5 star safety rating according to The European New Car Assessment Programme;

Power = 1 - Car's engine power is 136 horsepower, Power = 2 - Car's engine power is 184 horsepower, Power = 3 - Car's engine power is 249 horsepower;

Interior = 1 - Car interior is made of fabric, Interior = 2 - Car interior is made of leather;

Drive = 1 - Front wheels of a car are driving, Drive = 2 - Rare wheels of a car are driving, Drive = 3 - All wheels of a car are driving;

Country of origin = 1 - Car is produced in USA, Country of origin = 2 - Car is produced in Japan, Country of origin = 3 - Car is produced in Germany;

Price = 1 - Car costs \$55000, Price = 2 - Car costs \$45000, Price = 3 - Car costs \$35000;

CSR = 1 - No CSR information is provided, CSR = 2 - CSR on a product level is provided, CSR = 3 - CSR on a corporate level is provided.

Once fractional factorial designs were produced, they are to be copied and mixed randomly in order to compose a so-called trade-off questionnaire. Once fractional factorial designs' rows has been randomly mixed we choose row number i to from each of them as an option in a trade-off question description. Each of these pairs represent a single trade-off a respondent should make in

the process of filling in a questionnaire. The finalization process is represented on the figure 5.

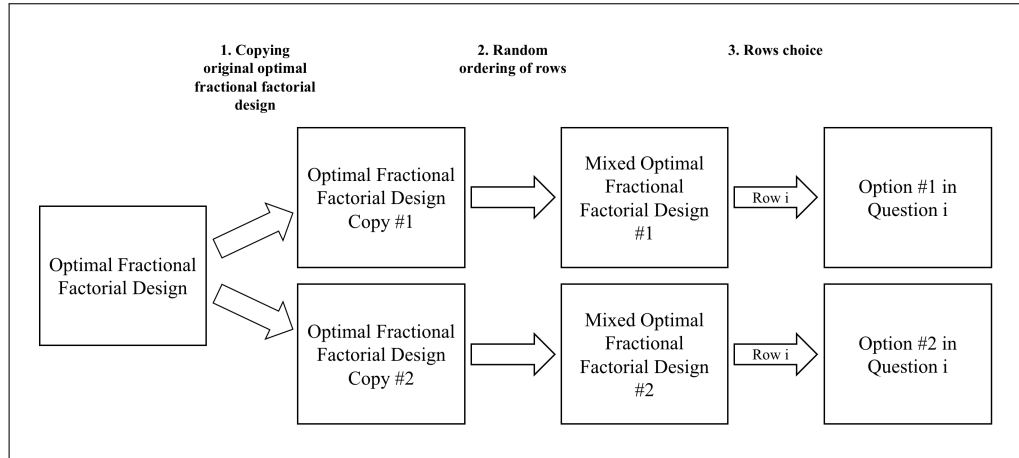


Figure 5: The Process of Trade-off Questions Composition

The finalization process consists of three basic steps:

1. Copying original optimal fractional factorial design
 - (a) Since the research is intended to be based on trade-off questions we need two sets of options that are to be taken from the original optimal fractional factorial designs that are presented in tables 6, 7 and 8.
2. Random ordering of rows
 - (a) In R, a different and new uniform random variable is added to every fractional factorial design row; then, each design is sorted on the basis of its corresponding random variable resulting in random order of rows (options).
3. Rows Choice
 - (a) We intended to select rows (options) from each of the two fractional factorial designs without replacement, and this selection is repeated until all rows in each of the two sets of the fractional factorial design are assigned to 15 total choice sets.

2.7 Questionnaire

The main source of data for this particular research are responses acquired through internet-based survey. Basically, the survey consists of 6 pages:

1. Introduction to survey
2. Demographic information gathering
3. Convenience Good trade-offs

4. Shopping Good trade-offs
5. Specialty Good trade-offs
6. Farewell note

The first page contains a short introductory text to explain the purpose of the research and make a respondent aware of the survey's contents:

Dear respondent,

You are here to participate in a consumer behaviour research. In particular, we want to understand how different product's features influence consumers' purchasing decisions.

The study consists of 50 questions: 5 on the demographic information for statistics purposes, 15 on convenience goods purchasing, 15 on shopping goods purchasing and 15 on specialty goods purchasing. Don't worry, filling out the whole questionnaire won't take you more than 10 minutes.

Thank you in advance for your co-operation.

The next page of the survey is created in order to collect some demographic information on the respondents. This is needed to verify if respondents are homogeneous in their background and could be compared with each other. It is illustrated on the figure 6 how the second page was designed.

Three subsequent pages are of the most interest for the researcher since they contained trade-offs for all the goods categories under consideration. Each of three pages started with short introduction to what was going to happen through next 15 questions. After that there were 15 separate questions requiring respondents to make a trade-off between two either toothpastes or two smart-phones or cars (according to classification described in table 1). Illustration of how a question and introductory text appeared to a respondent is provided on the figure 7.

At the end of the survey, those who completed it were praised with a farewell note:

Thank you for completing this questionnaire!

We would like to thank you very much for helping us.

Your answers were transmitted, you may close the browser window or tab now.

To conduct a survey **SoSci Survey** engine was used which is free of charge for students using it for their academic work, writing a thesis or other study-related activities. The software used provides all the necessary features needed for a conjoint analysis. Moreover, **SoSci Survey** allows a researcher to download data in the format suitable for a statistics software used including R, Stata or regular Excel spreadsheets.

Please provide some personal information with us exclusively for statistical purposes.

1. What is your gender?

☐ female

☐ male

2. How old are you?

I am years old

3. Which country are you from?

Country:

4. What do you do professionally?

☐ Pupil/in school

☐ Training/apprenticeship

☐ University student

☐ Employee

☐ Civil servant

☐ Self-employed

☐ Unemployed/seeking employment

☐ Other:

5. What is your monthly net income?

Net income is defined as your total income after tax and social security deductions.

Figure 6: Request for Demographic Information

In this section you are asked to choose one toothpaste out of two options in each question. Just imagine that you were to buy a toothpaste and are in a shop purchasing.

In total there are 15 questions regarding a toothpaste choice. Options' features differ from question to question. Please, choose reasonably.

Thank you,
Good luck.

6. Please choose one toothpaste

Teeth condition:	For Sensitive Teeth
Gums condition:	For Normal Gums
Caries protection:	Against Caries
Whitening:	Whitening Effect
Taste:	Fresh Mint
Additional information:	
Price:	\$1

Teeth condition:	For Sensitive Teeth
Gums condition:	For Sensitive Gums
Caries protection:	Against Caries
Whitening:	No Whitening effect
Taste:	Fresh Mint
Additional information:	The toothpaste does not contain any adverse to humans or environment components
Price:	\$2

Figure 7: Trade-off between Toothpaste Options Question Example

Target audience for the survey was identified as follows:

- Age group: from 20 to 30 years old
- Occupation: University students or recent graduates

- Origin: Russia or European Union

The structure of respondents provided above allows the researcher to test propositions stated in the section 2 and at the same time avoid possible model misspecifications that otherwise may occur because of implicit factors like age or level of education influences on CSR perception and subsequent distortions of coefficients in the model tested during a quantitative part of the research.

3 Empirical Results

3.1 Data Description

Data collection was conducted through targeted distribution of a link for the survey. Response rate did not exceed 58%, total number of respondents equals 70. The reason for such a low rate is a complexity of the interview. Moreover, all interviewees were asked to consciously make trade-offs offered by the survey to ensure reliable results. Average time spent on the interview lies in between 10 and 20 minutes which is considered to be quite exhaustive especially in case of extra brain activity requirement. Moreover, it is necessary to point out that for empirical part were used only completed questionnaires.

Demographic information about respondents is provided in tables 9, 10, 11 and figure 8.

Table 9: Respondents' Gender Distribution

female	male
50%	50%

Table 10: Respondents' Age Descriptive Statistics

Minimum	1Q	Median	Mean	3Q	Maximum
21	23	24	24.13	25	30

Table 11: Respondents' Occupation Distribution

Training/ apprenticeship	University student	Employee	Self-employed	Unemployed/ seeking employment	Other:
1,5%	70%	21%	3%	3%	1,5%

Considering respondents' countries of origin, we collected data from 36 Russians and 34 European citizens. Europeans taken part in the survey are from the following countries: Austria, Belgium, Bulgaria, Croatia, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Italy, Poland and Romania. Given such a diversity we assume good coverage of European representatives. Nevertheless in this particular research we consolidate Europeans from different countries in one group assuming relatively similar values and implied CSR perception among this people.

Almost equal distribution of genders and regions among respondents increases the quality of the research since it allows to capture differences among different groups of people. As we can see targeted group of respondents was captured as intended with all the requirements being met.

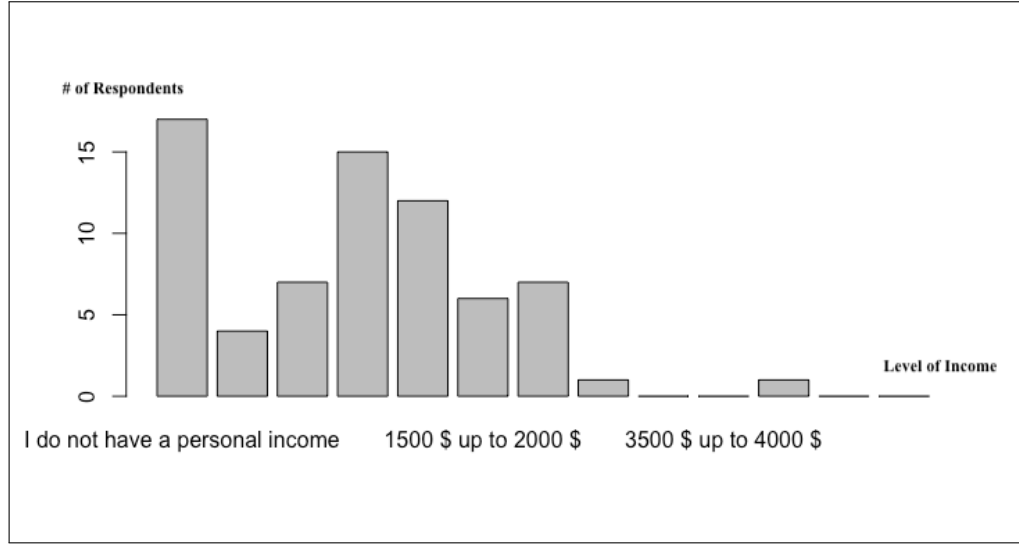


Figure 8: Respondents' Monthly Income Distribution

3.2 Convenience Goods

A toothpaste acts as a convenience good in this particular research. Respondents were to choose one out of two alternatives with different features fifteen times. Such a research design provided us with the opportunity to collect data for logit regression construction.

The first model could be represented by the equation (1), where res is a binary variable indicating if an option with the following features was chosen: $Teeth$ - variable indicating teeth sensitivity type of a toothpaste, $Gums$ - variable indicating gums sensitivity type of a toothpaste, $Carries$ - variable indicating if a toothpaste has a caries protection feature, $White$ - variable indicating if a toothpaste has a whitening effect, $Taste$ - variable indicating which taste a toothpaste has, $Price$ - variable indicating a price of a toothpaste, CSR - variable indicating a type of CSR information provided for a toothpaste (detailed information on these features and options compared can be found in tables 3, 6), α - constant term.

$$\begin{aligned}
 res = & \alpha + \beta_t Teeth2 + \beta_g Gums2 + \beta_c Carries2 + \\
 & + \beta_w White2 + \beta_{ta2} Taste2 + \beta_{ta3} Taste3 + \\
 & + \beta_{p2} Price2 + \beta_{p3} Price3 + \beta_{cs2} CSR2 + \beta_{cs3} CSR3
 \end{aligned} \tag{1}$$

The second model for a toothpaste has a form of the equation (2), which is different from the equation (1) by the term $CSR : country$ that allows us to control for respondents' origins, particularly if the coefficient CSR is different for Russian respondents and EU citizens.

$$\begin{aligned}
res = & \alpha + \beta_t Teeth2 + \beta_g Gums2 + \beta_c Caries2 + \\
& + \beta_w White2 + \beta_{ta2} Taste2 + \beta_{ta3} Taste3 + \\
& + \beta_{p2} Price2 + \beta_{p3} Price3 + \beta_{cs2} CSR2 + \beta_{cs3} CSR3 + \\
& + \beta_{csc1} CSR1 : country + \beta_{csc2} CSR2 : country + \beta_{csc3} CSR3 : country
\end{aligned} \tag{2}$$

It is important to mention that in logit regression with categorical variables which is true for the research under considerations each component is represented by a number of dummy variables instead of a single variable taking different values. That is happening since each level of the factor is distinct from others and cannot be evaluated as *better* or *higher*. The system of dummy variables for a multilevel factor, for example CSR, can be seen in the equation (3).

$$\begin{aligned}
CSR2_{dummy} &= \begin{cases} 1 & \text{if CSR information on a product level is provided} \\ 0 & \text{if no information regarding CSR is provided} \end{cases} \\
CSR3_{dummy} &= \begin{cases} 1 & \text{if CSR information on a corporate level is provided} \\ 0 & \text{if no information regarding CSR is provided} \end{cases}
\end{aligned} \tag{3}$$

We know that CSR factor has three levels: no information provided, CSR information on a product level is provided and CSR information on a corporate level is provided. One of these values is set to be a base level while others act as dummy variables referencing to the base one. Given that, the regression output makes more sense and interpretation for dummy variables coefficients should be done in relation to the base level.

The results of both models (1) and (2) are presented in the table 12 accordingly.

Interestingly, all the coefficients except the constant term in the (1) specification are significant at 1% level of confidence. In this research we are only interested in coefficients that represent the influence of *CSR* terms on the choice. In case of a toothpaste these coefficients are also significant at 1% level of confidence.

One more important finding of this regression analysis is that *CSR* coefficients have positive signs meaning that CSR information provision in case of a toothpaste positively influences consumers' choice towards a pro-CSR toothpaste. That is true for both levels of CSR information: on a product level (CSR2) and on a company level (CSR3).

We have to conclude that there are no differences between Russian and EU citizens regarding CSR information provision's influence on their consumer behavior since all *CSR : country* coefficients are insignificant at all reasonable levels of confidence.

In order to quantify the result acquired by the logit model regression marginal effects for CSR information provision were calculated. The results for marginal effects calculation are pre-

Table 12: Logit Model Execution Results for Toothpaste

	<i>Dependent variable:</i>	
	res	
	(1)	(2)
Teeth2	0.359*** (0.097)	0.359*** (0.097)
Gums2	-0.562*** (0.097)	-0.563*** (0.097)
Caries2	-0.776*** (0.098)	-0.778*** (0.098)
White2	-0.253*** (0.095)	-0.253*** (0.095)
Taste2	-0.363*** (0.109)	-0.364*** (0.109)
Taste3	-0.455*** (0.122)	-0.456*** (0.122)
Price2	0.527*** (0.119)	0.528*** (0.119)
Price3	0.797*** (0.115)	0.798*** (0.115)
CSR2	0.727*** (0.119)	0.892*** (0.169)
CSR3	0.358*** (0.114)	0.510*** (0.160)
CSR1:country		0.182 (0.145)
CSR2:country		-0.138 (0.180)
CSR3:country		-0.113 (0.161)
Constant	0.194 (0.152)	0.101 (0.169)
Observations	2,100	2,100
Log Likelihood	-1,343.336	-1,342.000
Akaike Inf. Crit.	2,708.672	2,712.000

Note: *p<0.1; **p<0.05; ***p<0.01

sented in the table 13. Notably, marginal effects were calculated regardless to respondent's origin since we have identified that there are no differences in consumer behavior depending on country of respondent's origin.

Marginal effects are to be interpreted the following way: "df/dx" column contains percentage by which a chance to get an option chosen increases (in case of a positive figure), "P > | z |" column contains p-value calculations to make sure if these marginal effects are significant.

Our results show that CSR on a product level has more influence on consumer's decision in

Table 13: Marginal Effects of CSR for Toothpaste

	df/dx	Std. Err.	z	P > z
CSR2	0.178365	0.028080	6.3521	2.124e-10 ***
CSR3	0.089136	0.028265	3.1536	0.0016128 **
<i>Note:</i>			*p<0.1; **p<0.05; ***p<0.01	

purchasing a toothpaste than that of a CSR on a company level. Further discussion and comparisons of marginal effects among different product categories is provided in the section 3.5.

3.3 Shopping Goods

It has already been discussed in previous sections that for a shopping good in this particular research a smart-phone was used. Following the similar to discussed in the section 3.2 methodology two models were created.

The first model could be represented by the equation (4), where *res* is a binary variable indicating if an option with the following features was chosen: *Screen* - variable indicating screen diagonal of a smart-phone, *Memory* - variable indicating memory volume, *Camera* - variable indicating the number of a smart-phone's camera megapixels, *OS* - variable indicating a smart-phone's operating system, *Weight* - variable indicating how much does a smart-phone weight, *Price* - variable indicating a price of a smart-phone, *CSR* - variable indicating a type of CSR information provided for a smartphone (detailed information on these features and options compared can be found in tables 4, 7), α - constant term.

$$\begin{aligned}
res = & \alpha + \beta_{s2}Screen2 + \beta_{s3}Screen3 + \beta_{m2}Memory2 + \beta_{m3}Memory3 + \\
& + \beta_cCamera2 + \beta_oOS2 + \beta_w2Weight2 + \beta_w3Weight3 + \\
& + \beta_{p2}Price2 + \beta_{p3}Price3 + \beta_{cs2}CSR2 + \beta_{cs3}CSR3
\end{aligned} \tag{4}$$

The second model for a smart-phone has a form of the equation (5), which is different from the equation (4) by the term *CSR : country* that allows us to control for respondents' origins, particularly if the coefficient *CSR* is different for Russian respondents and EU citizens.

$$\begin{aligned}
res = & \alpha + \beta_{s2}Screen2 + \beta_{s3}Screen3 + \beta_{m2}Memory2 + \beta_{m3}Memory3 + \\
& + \beta_cCamera2 + \beta_oOS2 + \beta_w2Weight2 + \beta_w3Weight3 + \\
& + \beta_{p2}Price2 + \beta_{p3}Price3 + \beta_{cs2}CSR2 + \beta_{cs3}CSR3 + \\
& + \beta_{csc1}CSR1 : country + \beta_{csc2}CSR2 : country + \beta_{csc3}CSR3 : country
\end{aligned} \tag{5}$$

The results of both models (4) and (5) are presented in the table 14 accordingly.

Table 14: Logit Model Execution Results for Smart-phone

	<i>Dependent variable:</i>	
	res	
	(4)	(5)
Screen2	0.036 (0.122)	0.036 (0.122)
Screen3	−0.194 (0.123)	−0.194 (0.123)
Memory2	0.048 (0.118)	0.048 (0.118)
Memory3	−0.325** (0.130)	−0.325** (0.130)
Camera2	−0.179* (0.100)	−0.179* (0.100)
OS2	−0.193* (0.099)	−0.193* (0.099)
Wiegth2	0.322*** (0.118)	0.322*** (0.118)
Wiegth3	0.082 (0.118)	0.082 (0.118)
Price2	0.301** (0.121)	0.301** (0.122)
Price3	0.201* (0.114)	0.201* (0.114)
CSR2	−0.290** (0.123)	−0.395** (0.175)
CSR3	−1.475*** (0.123)	−1.632*** (0.174)
CSR1:country		−0.186 (0.180)
CSR2:country		0.014 (0.156)
CSR3:country		0.116 (0.149)
Constant	0.727*** (0.159)	0.825*** (0.186)
Observations	2,100	2,100
Log Likelihood	−1,338.541	−1,337.700
Akaike Inf. Crit.	2,703.083	2,707.399

Note: *p<0.1; **p<0.05; ***p<0.01

In the case of a smart-phone we spot different results in terms of CSR information provision influence direction towards respondents' consumer decision-making. *CSR* coefficients are significant at 1% and 5% levels of confidence and have negative signs. We should interpret these

results as if consumers did not care too much about CSR features of a smart-phone while paying more attention to *Memory* volume and *Weight* of smart-phone. These findings go in line with the proposition of a shopping good for which a decision-making happens more reasonably and more focused on particular functional features of a good than on indirect ones like *CSR*. Moreover, the constant term in this case is also significant meaning that other factors could be important for a consumer in choosing a smart-phone.

Variables *CSR : country* are insignificant in this case also. So we conclude that for a smart-phone choice Russian consumers and EU ones value CSR information equally.

Even though *CSR* coefficients for shopping goods appeared to be negative we calculate marginal effects for this type of good to understand how strong this negative effect is on consumer behavior. Marginal effects for *CSR* variable are presented in the table 15.

Table 15: Marginal Effects of CSR for Smart-phone

	df/dx	Std. Err.	z	P > z
CSR2	-0.072397	0.030635	-2.3632	0.018117 *
CSR3	-0.351121	0.026496	-13.2521	< 2.2e-16 ***
<hr/> <i>Note:</i> *p<0.1; **p<0.05; ***p<0.01 <hr/>				

Marginal effects analysis shows that CSR on a product level (CSR1) for Smart-phone is significant only on the 10% level of confidence while CSR on a company level (CSR2) is significant and can severely undermine a products positions on a shelf in a shop.

3.4 Specialty Goods

For a shopping good in this particular research a car was used. Following the similar to discussed in the sections 3.2 and 3.3 methodology two models were created.

The first model could be represented by the equation (6), where *res* is a binary variable indicating if an option with the following features was chosen: *Safety* - variable indicating safety rating of a car, *Power* - variable indicating horse power of a car, *Interior* - variable indicating the type of interior in a car, *Drive* - variable indicating which wheels are driving in a car, *Country_orig* - variable indicating where a car was manufactured, *Price* - variable indicating a price of a car, *CSR* - variable indicating a type of CSR information provided for a car (detailed information on these features and options compared can be found in tables 5, 8), α - constant term.

$$\begin{aligned}
res = & \alpha + \beta_{s2}Safety2 + \beta_{s3}Safety3 + \beta_{p2}Power2 + \beta_{p3}Power3 + \\
& + \beta_iInterior2 + \beta_{d2}Drive2 + \beta_{d3}Drive3 + \\
& + \beta_{c2}Country_orig2 + \beta_{c3}Country_orig3 + \\
& + \beta_{p2}Price2 + \beta_{p3}Price3 + \beta_{cs2}CSR2 + \beta_{cs3}CSR3
\end{aligned} \tag{6}$$

The second model for a car has a form of the equation (7), which is different from the equation (6) by the term *CSR* : *country* that allows us to control for respondents' origins, particularly if the coefficient *CSR* is different for Russian respondents and EU citizens.

$$\begin{aligned}
res = & \alpha + \beta_{s2}Safety2 + \beta_{s3}Safety3 + \beta_{p2}Power2 + \beta_{p3}Power3 + \\
& + \beta_iInterior2 + \beta_{d2}Drive2 + \beta_{d3}Drive3 + \\
& + \beta_{c2}Country_orig2 + \beta_{c3}Country_orig3 + \\
& + \beta_{p2}Price2 + \beta_{p3}Price3 + \beta_{cs2}CSR2 + \beta_{cs3}CSR3 \\
& + \beta_{csc1}CSR1 : country + \beta_{csc2}CSR2 : country + \beta_{csc3}CSR3 : country
\end{aligned} \tag{7}$$

The results of both models (6) and (7) are presented in the table 16 accordingly.

A car also showed significant coefficients for CSR information provision on both levels. Similarly to a toothpaste (section 3.2) a car choice is positively influenced by CSR information provision.

As for country specifics considering CSR information influence on consumer behavior, a car is not an exception and there is no difference in CSR perception by consumers from Russia and EU while buying a car.

Since *CSR* coefficients are positive for a car, we run a marginal effects for this product category also to make our results comparable across all the product categories. Marginal effects calculation is presented in the table 17.

Table 17: Marginal Effects of CSR for Car

	df/dx	Std. Err.	z	P > z
CSR2	0.208881	0.030689	6.8063	1.001e-11 ***
CSR3	0.470423	0.024744	19.0113	< 2.2e-16 ***

Note: *p<0.1; **p<0.05; ***p<0.01

Table 16: Logit Model Execution Results for Car

	<i>Dependent variable:</i>	
	res	
	(6)	(7)
Safety2	0.404*** (0.121)	0.404*** (0.121)
Safety3	1.679*** (0.140)	1.679*** (0.140)
Power2	0.901*** (0.143)	0.901*** (0.143)
Power3	1.087*** (0.138)	1.087*** (0.138)
Interior2	−0.156 (0.114)	−0.156 (0.114)
Drive2	−0.071 (0.139)	−0.071 (0.139)
Drive3	−0.074 (0.132)	−0.074 (0.132)
Country_orig2	0.737*** (0.133)	0.737*** (0.133)
Country_orig3	0.818*** (0.141)	0.818*** (0.141)
Price2	0.517*** (0.143)	0.517*** (0.143)
Price3	0.337*** (0.120)	0.337*** (0.120)
CSR2	0.856*** (0.132)	0.845*** (0.183)
CSR3	2.099*** (0.136)	2.080*** (0.180)
CSR1:country		−0.019 (0.161)
CSR2:country		0.003 (0.186)
CSR3:country		0.018 (0.167)
Constant	−2.907*** (0.239)	−2.898*** (0.253)
Observations	2,100	2,100
Log Likelihood	−1,219.754	−1,219.741
Akaike Inf. Crit.	2,467.509	2,473.482

Note: *p<0.1; **p<0.05; ***p<0.01

Marginal effects of a car are contradictory to those of a toothpaste since CSR on a product level (CSR1) has less effect on consumer behavior in purchasing a car than CSR on a company level (CSR2). Notably, both marginal effects are significant at 1% level of confidence.

3.5 Comparisons

In discussions about logit regression results in sections 3.2, 3.3 and 3.4 we have already pointed out insignificance of *CSR : country* coefficients which implies absence of differences in CSR information influence on consumer behavior among respondents from Russia and European Union. This means that we can assume proposition 1 to be wrong. Further comparisons are made on the basis of the whole sample without region distinctions.

The research question #2 from (section 2.1) is resolved by marginal effects comparison among all three product categories. The table 18 presents results of marginal effects calculation.

Table 18: Marginal Effects Comparison

	Convenience Good	Shopping Good	Specialty Good
CSR2	0.178365	-0.072397	0.208881
CSR3	0.089136	-0.351121	0.470423

Absolute values of marginal effects are compared in order to identify the power of CSR information provision's influence on consumer behavior. CSR on a product level power is ordered in following way (from the least powerfull to the strongest):

1. Shopping good

- (a) The least effect could be achieved by transmitting CSR information about a shopping good. Moreover, the effect could be negative. This finding could be explained simply by the nature of a shopping good: customers invest large amounts of time in a purchasing decision making process. Shopping goods are bought for a long period of time and functional features might attract more attention of the customers apart from CSR ones.

2. Convenience good

- (a) The chance of choosing a convenience good with a CSR feature on a product level could be increased by 0.18 points which is quite a lot. We conclude that a CSR promotion strategy for simple everyday goods might be beneficial for a business.

3. Specialty good

- (a) Specialty goods are the most sensitive to CSR on a product level information provision ones. This could happen because consumers' intentions to buy such goods are sometimes driven by emotions, therefore some implicit features like CSR ones could play a role in a decision making process.

CSR on a product level influence on willingness to pay is certainly significantly different among all the three product categories. The direction of this relationship is different to that proposed in propositions 2.1 and 2.2. We conclude the proposition 2.1 was true while the proposition 2.2 did not reflect the outcome of the research for the CSR on a product level.

Following the structure used above CSR on a company level information provision marginal effects are compared among goods categories. The list is composed from the least valuable item to the most valuable one:

1. Convenience good

- (a) The first place in the list for a shopping good can be explained by the amount of work that is normally done by a consumer while buying such a good. Convenience goods are important by themselves, they do not provide reputation information and are valuable by themselves. Thus, the information about a producer is not a big deal for customer.

2. Shopping good

- (a) Large negative effect of CSR information on a company level for a shopping good might prove the theory from the previous list meaning that customers really value more functional features of the product and might be distracted by CSR information. Moreover, CSR is widely perceived as profit sacrifice. This idea can be further developed by customers into quality sacrifice of the company for the sake of some ambiguous CSR activities.

3. Specialty good

- (a) Once again a specialty good leads the list as the most sensitive to CSR information provision.

Even though, the order of product categories by their sensitivity to CSR information provision has changed we still notice significant differences among them. Combined with the conclusion derived from the previous list this fact allows us to perceive the proposition 2 as a valid one. In case of a CSR on a company level both propositions 2.1 and 2.2 appeared to be invalid. The order acts vica-versa to that mentioned in the section 2.1.

CSR information types are compared to test the proposition 3. The table 18 clearly identifies significant differences in value of CSR information types for all the three good categories. We should also point out that for convenience goods CSR on a product level plays a bigger role while

CSR on a company level preserves the leading position for shopping and specialty goods. Therefore we agree with the proposition 3.

The differences among product categories can also be explained by psychological theory presented in (Petty and Cacioppo 1984). Consumers who lack the ability to determine the true value of a product or are also driven by emotions in a decision making process (as it happens with specialty goods, for example) are more likely to associate CSR with a positive cue of firm's honesty and liability. As prior research shows (McWilliams and Siegel 2001) positive evaluation of the company is usually associated with higher probability of this firm's goods to be purchased.

3.6 Theoretical Implications

Empirical results obtained by this research are of theoretical importance for several reasons: the research fill the gap in scientific literature, points out new directions for the future research and explains a phenomenon widely discussed in managerial science for already more than 65 years;

At the beginning of the paper we identified the research gap in CSR studies provided so far. The gap lies in interception of three main areas: differences in CSR information provision influence on consumer behavior among different cultural backgrounds, differences in CSR information provision influence on consumer behavior among different product categories, distinction in different CSR practices abilities to positively effect consumer behavior. The findings of the paper give answers to research questions stated and provide future researchers with useful insights and ideas for future research.

Since the CSR information provision positive effect on consumer behavior was proven under some circumstances future research is to be focused on the full list of these circumstances identification. For example, full geography peculiarities are to be identified since Russians are not significantly different from European Union citizens in terms of CSR information sensitivity we cannot scale these conclusions up to different region, especially Asia or Latin America because cultural differences are supposed to be higher between continents.

Moreover, the research has proven that CSR influence on consumer behavior is different among product categories that were defined by (Copeland 1923). Future research should deepen the understanding of interrelations in goods classifications and narrow the problem down. There is also an opportunity for a subsequent investigation under proposed product classification but with different examples of goods to prove the findings.

The same is true for different CSR practices. Even though significant differences between CSR information on a product level and CSR information on a company level were identified there are plenty of other CSR classifications that are to be proven practical in controlling CSR influence on consumer behavior. Current classification is still relevant and is to be further investigated in order to better understand how to highlight companies' CSR activities deployment.

Finally, the paper identifies the positive effect of CSR information provision on consumer

behavior but does not study channels of this information provision to customers. There plenty important question to be developed further, for example, if this information should be provided together or separately in relationship to the goods' characteristics, is visual information is needed or a textual one is fine for a customer and so on.

3.7 Practical Implications

From the practical point of view the paper provides findings that deal directly with consumer behavior and its relationship with CSR information provision and explains areas of possible improvements for companies that are already involved in CSR activities or are now deciding to do so.

The research provides useful insights for both already pro-CSR businesses and those that are still not. It is well-known that there plenty of responsible enterprises on the market but there is very few of those that communicate their CSR activity properly to their clients. As we have found that a proper communication of CSR activities deployment with customers can make them decide towards a product of a pro-CSR producer. Businesses should implement CSR communication to the customers to strengthen their positions on the market. Moreover, those companies that are still act irresponsibly should bear in minds that such an attitude is of no help in terms of stimulating consumers to buy their products and rather consider CSR activities inception within their structures.

In detail, empirical results of the research under consideration prove the ability of CSR information to induce customers' decisions towards certain goods. Thus, proper information on CSR provision could improve positions of goods on shelves in shops. Importantly, producers are to be careful with information provision since not all of the products with CSR features are welcomed by customers.

The goods that are bought on a daily basis and normally not characterized by an intricate decision making process from the consumer, according to (Copeland 1923) they are called *convenience goods*, should rather possess a CSR feature, information on which, in turn, should be explicitly delivered to the customer, for example, ecological materials or recyclable package. The research shows that this is the most effective strategy and proves the point on the example of a toothpaste. Information on CSR activities undertaken by a producer of a convenience good would also positively effect sales but less effectively.

For the *specialty goods* the most appealing way to attract customers is information on CSR on a company level provision. Delivery of the information about producer's efforts to be socially responsible might attract more customers. The example of a CSR on corporate level can be charity activities or corporate practices that ensure 100% safety on the working space or support for diversity within an organization. Explicit communication of such features should benefit sales figures of a specialty good like a car which was tested in the research.

One more important finding of the research is that marketing specialists still are to be careful

with information on CSR provision for certain product categories. The research shows on the example of smart-phone that CSR information can negatively effect consumers' choice decisions. Thus, products that are bought on the basis of their functionality and usefulness should be marketed with emphasis on target features which supports the evidence provided in (Devinney et al. 2006) that states that consumers are responding positively to CSR activities conducted by producers only in case they provide customers with features of the product that meet their expectations.

All in all, results of the research are useful for marketing specialists interested in fostering their production positions among customers. The research proves CSR information ability to induce customers choices towards goods with CSR information provided. Moreover, the research points out which categories get the most out of which CSR information. Thus, mentioned above findings could be used in marketing strategies compositions and as a support for CSR in negotiations on usefulness of CSR practices implementation within an organization.

3.8 Limitations

In light of significant findings, several limitations should be acknowledged. The considered limitations lie in several areas that are to be discussed further. The understanding of the research results borders allows both future researchers and practitioners to reasonably use findings of the research in their work.

The target group under consideration is a limitation meaning that the results of the research are true for youth with higher education. It is not a secret that general values and consumer behavior can be different for demographic groups of all sorts. Moreover, gender peculiarities in consumer behavior were not controlled in this particular research and could be a subject for future research in marketing practices regarding CSR information provision.

The research is focused on investigation of differences between Russian and EU consumers which cannot be scaled to a wider circle of nationalities. Thus, findings are to be perceived valid for this particular relationship. For the verification of equal CSR information evaluations across the globe further study of the issue is to be conducted.

Another limitation lies in the field of CSR information provision. While the research investigated the relationship between the information regarding CSR activities undertaken by producers and consumers' willingness to buy, it did not approach neither the issue of channels for this information provision effectiveness nor the most appealing for customers CSR data formulation. Therefore, while composing a marketing strategy regarding CSR information communication to customers the listed issues are to be investigated also.

Conclusion

The research under consideration was intended to prove that information on Corporate Social Responsibility practices involvement by a producer would positively effect consumer's willingness to buy. This phenomenon was proven through the lens of consumer behavior. Particularly we studied if information about CSR activities deployment within a particular business unit embedded in general information about a certain product produced by this business would increase customers' willingness to buy the product.

The research goal was achieved by research objectives completion. Firstly, the research gap was identified. CSR and consumer behavior literature review showed that even though information on CSR provision can positively influence consumer behavior there is lack of research in the field of applicability of CSR information provision techniques. In detail, current literature does not approach properly differences in effectiveness of CSR information provision among different product categories. In addition, marketing research on consumer behavior connected with CSR is not controlling for different levels of CSR. Moreover, there is lack in research on Russian and European consumers differences in responses to information on CSR provision. Thus, the goods classification provided by (Copeland 1923) was used as a basis for research on differences in CSR information provision effectiveness in influencing consumers willingness to buy. CSR levels were stated as follows: CSR on a product level and CSR on a corporate level.

Approach in the research gap areas implied using a methodology for consumers true preferences identification. Choice-based conjoint analysis was chosen as the main tool for the research allowing to simulate close to real life purchasing experience and identify true factors influencing consumers purchasing decisions values. The data were collected through a questionnaire that consisted of trade-off questions and demographic information questions in order to conduct a research on nationality differences. Gathered information was analyzed with the help of logistic regression since the dependent variable (choice of a particular good) was a binary one. Moreover, logit models proved to be a useful tool in choice-based researches analyses.

Youth representatives aged from 21 to 30 years old acted as the respondents in the research. These people are either university students at the end of their educational track or recent graduates. Respondents could be characterized with relatively equal income. Respondents were making their trade-offs in three product categories represented by the following examples: toothpaste as a convenience good example, smart-phone as a shopping good example and car as a specialty good example.

The main findings of the research are the following: in some circumstances CSR can certainly positively influence consumer behavior. In detail, information on CSR practices would increase willingness to buy a convenience and a specialty good but might decrease it for a shopping good. We also found out that this relationship does not depend on the region of a customer's origin, whether it is Russia or a European Union, but power of CSR influence differs between CSR information on a product level and CSR information on a company level. It was concluded that the

most sensitive product category in terms of CSR information is specialty goods.

We have also identified theoretical implications for our findings to foster further scientific research. Particularly, the research under consideration fills the gap in the current managerial literature by differences in CSR information provision power to influence consumers willingness to buy among different products identification. Moreover, different levels of CSR are proved to influence consumer behavior differently. These findings prove the complexity of the CSR concept and its impact on consumers and point out promising fields for further research.

Practical implications were defined to advise businesses on their marketing techniques. As far as practical implications of the research findings are considered they are mostly in the marketing area of studies. Modern businesses should consider revision of their CSR information provision techniques and pay more attention to the issue, meaning that providing consumers with information of either of goods CSR features or CSR activities that are deployed within the organization can improve positions of a good on shelves in shops by attracting more customers by this information.

The modern society is now on the edge of full Corporate Social Responsibility comprehension, meaning that everyday more and more businesses deploy CSR practices and overall act in a more environmentally, socially, ethically and economically responsible way.

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